MARK-TO-MARKET (M2M)
RELEASE 3.2
ONLINE SYSTEM
PAE USERS GUIDE

for the

U.S. Department of Housing and Urban Development (HUD)
Office of Multifamily Housing Assistance Restructuring
(OMHAR)

March 13, 2000

Mark-to-Market (M2M)
Release 3.2
Online System
PAE Users Guide
Table of Contents

Section **Page**

1 M2M SYSTEM RELEASE 3.2 INTRODUCTION 1

1.1 M2M PROGRAM GOALS AND OBJECTIVES 1
1.2 BUSINESS FUNCTIONS 1
1.3 SYSTEM REQUIREMENTS 1
1.4 TIPS FOR USING THE SYSTEM (BEFORE GETTING STARTED) 2
1.4.1 Case-Sensitivity Sign-On 2
1.4.2 Set Browser to Accept "Cookies" 3
1.4.3 Saving Changes 3
1.4.4 Date Format 3
1.4.5 Error Messages 3

2 M2M SYSTEM SECURITY 5

2.1 PAE SYSTEM COORDINATOR 5
2.2 PAE USER 5

3 ACCESS TO THE M2M LOGIN SCREEN 7

3.2 LOGIN PROCEDURES 7
3.2 LOG OFF PROCEDURE 7
3.3 TIME OUT FEATURE 7

4 M2M SYSTEM HOME SCREEN 8

4.1 CRITICAL DATES TRACKING MODULE BUTTON 8
4.2 RESTRUCTURING PLANS MODULE BUTTON 8
4.3 REPORTS MODULE BUTTON 9
4.4 E-MAIL LINK 9
4.5 OTHER HUDWEB SITES 9

5 GENERAL INFORMATION ABOUT THE M2M PROCESS, TARGET DATES, AND DATA ENTRY 10

6 CRITICAL DATES TRACKING MODULE 12

6.1 ASSIGNED PROPERTIES SCREEN 12
6.2 CONTRACT NUMBER LINK 13
6.3 CRITICAL DATES TRACKING SCREEN 13
6.3.2 Target Dates 15
6.3.2 Critical Dates Data Entry 15
6.3.3 Critical Dates Reporting 16

7 RESTRUCTURING PLANS MODULE 18

7.1 RESTRUCTURING PLANS GENERAL INFORMATION 19
7.1.1 Data Entry/PAE Corrections 19
7.1.2 Negative Data Entry Fields 20
7.1.3 Navigating the Restructuring Plans Sections 20
7.2 MORTGAGE RESTRUCTURING PLAN FORMS 20
7.2.1 Property & Loan Information Term Sheet 21
7.2.3 Debt Restructuring 23
7.2.4 Sources and Uses 25
7.3 RENT REDUCTION ONLY PLAN FORMS 26
7.3.2 Property & Loan Information Term Sheet 26
7.3.2 Property Operating Statement 27
7.3.3 Refinancing 27
7.4 SUBMITTING RESTRUCTURING PLAN FORMS FOR REVIEW AND APPROVAL 28
7.5 REVIEWING SUBMITTED RESTRUCTURING PLANS AND DECISIONS 30

8 REPORTS MODULE 32

8.1 PROPERTY AND REPORT SELECTION 33
8.2 ASSIGNED ACTIVE PROPERTIES REPORT 33
8.3 SUBMITTED PLANS AWAITING DECISION REPORT 34
8.4 PROPERTY STATUS REPORT 35
8.5 RENT COMPARABILITY REVIEW PROGRESS REPORT 35
8.6 RENT REDUCTION ONLY PROGRESS REPORT 36
8.7 MORTGAGE RESTRUCTURING PROGRESS REPORT 37

1 M2M SYSTEM RELEASE 3.2 INTRODUCTION

Mark-to-Market (M2M) Release 3.2 is an online HUDweb application developed by the Office of Multifamily Housing Assistance Restructuring (OMHAR) for the permanent M2M Program to track properties assigned to Participating Administrative Entities (PAEs) and to analyze, monitor and report on the transactions relative to the renewal of expiring Section 8 contracts entered into the M2M Program.

1.1 M2M Program Goals and Objectives

M2M Release 3.2 is part of a phased system implementation approach developed to support the Permanent M2M Program by facilitating data collection and report generation of the following:

- Critical dates tracking for M2M processes assigned to PAEs;
- Deal restructure plan forms submission and closing data;
- Reporting for PAE management;
- Monitoring and auditing tools for OMHAR; and
- Other information relevant to the M2M Program.

1.2 Business Functions

Release 3.2 is designed to support M2M Program objectives by performing and centralizing the following functions:

- Tracking of assigned properties through the process or “pipeline” (tracking properties, assessment, due diligence, dates, etc.);
- Providing PAEs an online system to submit restructuring plan forms to OMHAR; and
- Reporting on the progress and performance of PAEs and their assigned properties.

Users of the M2M system include OMHAR (Headquarters (HQ) and field office levels); OMHAR’s PAEs, with whom OMHAR has executed agreements; and OMHAR’s support contractors.

1.3 System Requirements

Release 3.2 uses browser-based technology to provide access via the World Wide Web. To access the system, a user must have access to the Internet

using an Internet Service Provider (ISP) and advanced browser software. Netscape Navigator 4.0 browser software or higher, or Internet Explorer 4.0 or higher is recommended.

As M2M Release 3.2 is a secure, web-based system that contains sensitive information, security registration is required prior to gaining access. Only after a user is successfully registered, added to the system, has received a User ID, assigned to a system group, and assigned property, can they access the system as a user. Further information on the M2M system's security may be found in **Section 2, M2M System Security**.

Working within a browser-based application, submission data will be transferred and processed through a modem. Higher speed modems and computer processing units (CPUs) load data or graphics more quickly on a user's screen.

OMHAR requires PAE Users to have the following hardware and software to access and operate M2M Release 3.2 and do business with OMHAR:

- Windows 95 or higher;
- Netscape Navigator 4.0 or higher, or Internet Explorer 4.0 or higher;
- MS Word, MS Excel – (saved in 95 version);
- Adobe Acrobat Reader;
- 486 Megahertz processor or higher;
- 16K megabyte memory or higher; and
- 33K modem or higher.

It is also expected that users of the M2M system have a basic understanding and proficiency in the use of computers, Windows, and web browsers.

1.4 Tips for Using the System (Before Getting Started)

Functions that are standard throughout the M2M system are explained in more detail in the following subsections.

1.4.1 Case-Sensitivity Sign-On

When signing onto the M2M system, it is necessary to note that user names and passwords are case-sensitive (i.e., whatever uppercase/lowercase convention is used to create User IDs and passwords, must be used to sign into the system).

1.4.2 Set Browser to Accept "Cookies"

Users must ensure that their browsers are set to "Accept All Cookies." The following paragraphs provide instructions for Netscape and Internet Explorer users to set this feature:

Netscape 4.5 users: select "Edit" on Netscape's tool bar; select "Preferences;" select "Advanced;" and in the Cookie section, click the radio button that reads "Accept All Cookies."

Internet Explorer 4.0 users: select "View" on the top tool bar; select "Internet Options", select "Advanced", scroll down below "Security" to "Cookies" and ensure "Always Accept Cookies" is checked.

For all other browsers, go through the "Help" section to ensure the browser is set to accept all cookies.

1.4.3 Saving Changes

After adding or updating data on any screen, follow the directions on that screen to retain any changes made before proceeding to another screen. In browser-based applications, data will be lost when navigating to other pages if not saved.

1.4.4 Date Format

All dates must be entered in the MM/DD/YYYY format.

1.4.5 Error Messages

If an error message is encountered anywhere in the M2M system when navigating from one screen to the next, follow the instructions presented in the M2M Information/Error screen. If that does not resolve the problem, click the "Reload" button on Netscape's toolbar to reload the page (as shown on the next page in Figure 1-1, Netscape Reload Button), or review the information last entered on the screen for accuracy.

Figure 1-1, Netscape Reload Button

If further technical assistance is needed, return to the Home screen and send an e-mail message through the link (located on the M2M home screen). Describe the question or problem in detail, and include a reply e-mail address (if different than the sender's), and name and telephone number of the contact person. A reply will be sent promptly.

2 M2M SYSTEM SECURITY

M2M is a part of HUD's Secure Systems. The M2M database contains sensitive data concerning HUD's portfolios and program participants. To access and use the M2M system, a PAE representative must have a valid User ID and password. Detailed instructions for registering to use the M2M system were provided by OMHAR HQ representatives, when the business agreement was executed.

There are two types of PAE users that are referenced in this document: PAE System Coordinator (Coordinator) and PAE User (User). Each user type will be further defined in **Section 2.1, PAE System Coordinator** and **Section 2.2, PAE User**, respectively.

2.1 PAE System Coordinator

Each PAE organization must assign one or more of its representatives to serve as a "Coordinator" (property assignor), in order to control which users have access to the M2M system and which of the PAE's assigned properties. Each PAE System Coordinator will assign users, as required, to perform the work contracted with OMHAR. Coordinators are also users of the system.

A PAE Coordinator is responsible for assigning properties to its PAE Users in Secured Systems, after they have been assigned by OMHAR. The Coordinator must register with Secured Systems at the Internet web site address: https://entp.hud.gov/idapp/html/part_reg.htm prior to making the first property assignment.

♪ **Note:** To avoid potential conflicts of interest, the M2M PAE System Coordinator **MAY NOT** be a coordinator for another business entity or property owner.

After completing registration the Coordinator must assign properties to itself, at the following Secured Systems Internet web site address: https://hudapps.hud.gov/HUD_Systems. Click the underlined Property Assignment Maintenance link to be taken to the screen for assigning properties.

2.2 PAE User

A PAE User of the M2M system must register in HUD's Secured Systems at the https://entp.hud.gov/idapp/html/part_reg.htm web site address, prior to using the M2M system.

After a PAE User has registered to use the M2M system, User sign-on IDs will be mailed to the director of the PAE agency, at its HUD-registered address.

User IDs should be received within two weeks. If the IDs are not received, have your Coordinator send an e-mail detailing which User IDs were not received and the name of your PAE organization. The e-mail address is: m2minfo@hud.gov.

A PAE User, once assigned rights to properties (as assigned by the PAE System Coordinator), can perform the required functions to enter data, review status and run reports. A User has no rights to assign User access to the M2M system. A User depends on its Coordinator to provide access to the system and assign rights to access the M2M system and the assigned properties.

If Users require additional security-related assistance, send a detailed e-mail and a reply will be returned.

3 ACCESS TO THE M2M LOGIN SCREEN

The M2M home screen may be accessed by registered system users via the Internet. Each User must have their own valid User ID and password. The Internet URL is: https://hudapps.hud.gov/HUD_Systems/.

3.2 Login Procedures

Each User is prompted with a request for their User ID and password. Reminder: both the User ID and password are case-sensitive. Click the underlined Mark-to-Market (M2M) link on the list of HUD System Projects.

Any User that is unsuccessful in signing onto the system after several attempts, may need to have its password reset. Send a password reset request to the System Administrator via e-mail at: m2minfo@hud.gov. This is not an immediate process, but will be addressed as soon as possible. Remember to include contact information (name, User ID, e-mail address (if different than sender's) and a brief explanation of the problem).

3.2 Log Off Procedure

Because M2M Release 3.2 contains sensitive financial data, Users are requested to use the Log Off button

feature when exiting the system or when leaving your computer running for an extended period of time. If the log off button is not used, another User may be able to reopen your web browser and access system pages.

3.3 Time Out Feature

M2M Release 3.2 has a "time-out" feature. After a period of 2 hours of inactivity, the User will be logged off the system and must go back to the Secured Systems log-in page to sign-in again.

4 M2M SYSTEM HOME SCREEN

Upon authentication from the server, the following home screen appears (Figure 4-1, M2M Home Screen):

Figure 4-1, M2M Home Screen

4.1 Critical Dates Tracking Module Button

The Critical Dates Tracking button provides access to the M2M properties assigned to a PAE User. Within this module, PAEs and OMHAR Users enter critical dates data in accordance with the predetermined M2M Program timeline for Mortgage Restructuring, Rent Reduction Only without Mortgage Restructuring (Rent Reduction Only), and Rent Comparability Review (Comp Review) properties.

4.2 Restructuring Plans Module Button

The Restructuring Plans button provides Users with access to restructuring plan forms for M2M Program properties. Online forms are provided for properties going through the Mortgage Restructuring (Form 5.2, Part II.B Case Memorandum Term Sheet) and the Rent Reduction Only (Form 10.2 OMHAR Reduction of Rent and Section 8 Contract Renewal Justification) M2M Program options and must be submitted via the M2M system to OMHAR.

4.3 Reports Module Button

The Reports button gives Users access to the reports in the system.

4.4 E-Mail Link

The M2M system provides an E-Mail link on the home screen for Users of the system to send any questions or comments regarding the M2M system and problems or suggestions via Netscape's Messenger's e-mail format. Please be sure to include your name, a detailed narrative (if sending a question or if there is a problem), return e-mail address (if different from the sending address), contact name, and telephone number (including area code) to receive a timely reply.

♪ **Note:** Use Netscape's Back button to return to the M2M system after sending your e-mail message.

4.5 Other HUDweb sites

Other useful HUDweb sites (such as HUD's home screen) are listed at the bottom of the screen. Click on an underlined link to visit a HUDweb site.

♪ **Note:** You will be exiting the M2M system if you click one of the external HUD links. Use Netscape's Back button on the toolbar to return to the M2M system.

5 GENERAL INFORMATION ABOUT THE M2M PROCESS, TARGET DATES, AND DATA ENTRY

M2M Release 3.2 allows Users to input and record dates critical to the M2M Program process, to input and submit restructuring plan forms data, and to perform other functions pertinent to the M2M Program. Property and management reports summarize the status and progress for M2M Program properties in order to assist in the management of assigned portfolios.

A data entry screen is included within the Critical Dates Tracking module to record critical dates for each property in the M2M system. Each of these data entry screens were designed to reflect the actual dates (and in addition, "target" dates for Mortgage Restructuring properties) within the execution of a M2M Program process. A M2M renewal option is one of three types:

1. Mortgage Restructuring—Renewal with mortgage restructuring;

2. Rent Reduction Only—Renewal with rent reduction and no debt restructuring (also referred to as OMHAR Lite)**;** and

3. Comp Review—An owner declares its rents are below market and HUD's field office has requested a third party rent comparability review to determine market rents.

It is imperative that attention to detail be paid when entering data in the Critical Dates Tracking and the Restructuring Plans modules. Reports use this data to determine the progress and performance of the PAEs, Regional Offices, and OMHAR.

♪ **Note:** Inaccurate or incomplete data may misrepresent the progress (or lack thereof) of a property and associated contract throughout the M2M program.

Once a PAE User accepts a property assignment, "target dates" on the Critical Dates Tracking screen are automatically calculated and displayed for properties that have the Mortgage Restructuring program option. Although these dates cannot be changed (even with a Section 8 contract extension), there are comment boxes next to each date to capture any pertinent information relative to that target critical date. These pre-calculated date fields are projections based on the timeline outlined in the M2M Program Operating Procedures Guide. This timeline is a seven month turnaround from acceptance to closing.

If there are missing dates in, or prior to, the Assignment/Assessment Phase (e.g., Field Office Refers to OMHAR), please contact your OMHAR field office to have them enter or update these data fields).

Attention to detail must also be paid when entering, saving, and submitting Restructuring Plans Forms data. Data in certain fields in the Restructuring Plans module are read-only from HUD's Real Estate Management System (REMS) or are system-calculated. PAE Users will have an opportunity to enter any necessary corrections or fill-in missing data in Data Entry/ PAE Corrections fields next to the read-only fields. Users will not be able to update read-only data. Again, comment boxes are available to record any pertinent information related.

Additional detailed information concerning the Critical Dates Tracking and Restructuring Plans modules may be found in **Section 6, Critical Dates Tracking Module** and in **Section 7, Restructuring Plans Module**, respectively.

6 CRITICAL DATES TRACKING MODULE

The Critical Dates Tracking module is accessed by clicking the Critical Dates Tracking module button on M2M's home screen.

Clicking Critical Dates Tracking button retrieves a search selection criteria page, as shown below as Figure 6-1, Select Search Criteria:

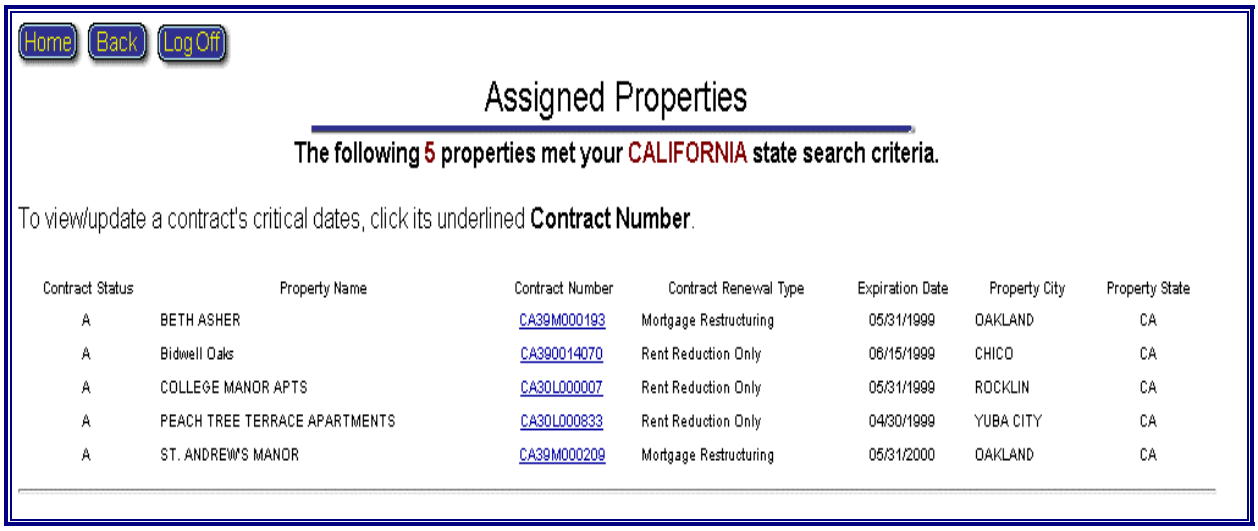
Figure 6-1, Select Search Criteria

There are three options available to retrieve properties for the Critical Dates Tracking module:

- Select a state from the drop-down list;
- Enter a Property ID; or
- Click the underlined HERE link to retrieve all properties in the system (assigned to your ID).

6.1 Assigned Properties Screen

The Assigned Properties screen (shown on the next page as Figure 6-2, Assigned Properties) will be returned once the search is performed (based on the criteria on the Select Search page).

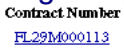


Contract Status	Property Name	Contract Number	Contract Renewal Type	Expiration Date	Property City	Property State
A	BETH ASHER	CA39M000193	Mortgage Restructuring	05/31/1999	OAKLAND	CA
A	Bidwell Oaks	CA390014070	Rent Reduction Only	06/15/1999	CHICO	CA
A	COLLEGE MANOR APTS	CA30L000007	Rent Reduction Only	05/31/1999	ROCKLIN	CA
A	PEACH TREE TERRACE APARTMENTS	CA30L000833	Rent Reduction Only	04/30/1999	YUBA CITY	CA
A	ST. ANDREW'S MANOR	CA39M000209	Mortgage Restructuring	05/31/2000	OAKLAND	CA

Figure 6-2, Assigned Properties

Each PAE User will see their assigned portfolio of properties (based on the criteria in the search). If a PAE User has been assigned a property which is not included in the search results (again, depending upon the search criteria), the PAE User should check with its PAE System Coordinator to ensure the property assignment has been made in Secured Systems. If the Coordinator does not have access to the property to assign it, the Coordinator should notify its OMHAR field office or OMHAR HQ of the discrepancy to obtain a resolution.

6.2 Contract Number Link

The Assigned Properties screen displays all assigned properties and pertinent information. The highlighted contract number 

as a link to access the Critical Dates Tracking module.

Select and click the underlined contract link to retrieve a Critical Dates Tracking screen to enter or view the critical dates related to that property. The contract highlighted will be the first expiring contract for the property. The resulting screen is the Critical Dates Tracking screen (discussed in the next section).

6.3 Critical Dates Tracking Screen

After a contract link is selected, a Critical Dates Tracking screen is retrieved (based on the property's M2M renewal option type). Figure 6-3, Mortgage Restructuring Critical Dates Screen, on the next page, provides an example of a Critical Dates Tracking screen for a property with a Mortgage Restructuring renewal option (with Target Dates). The Critical Dates Tracking screens vary depending upon the M2M renewal type.

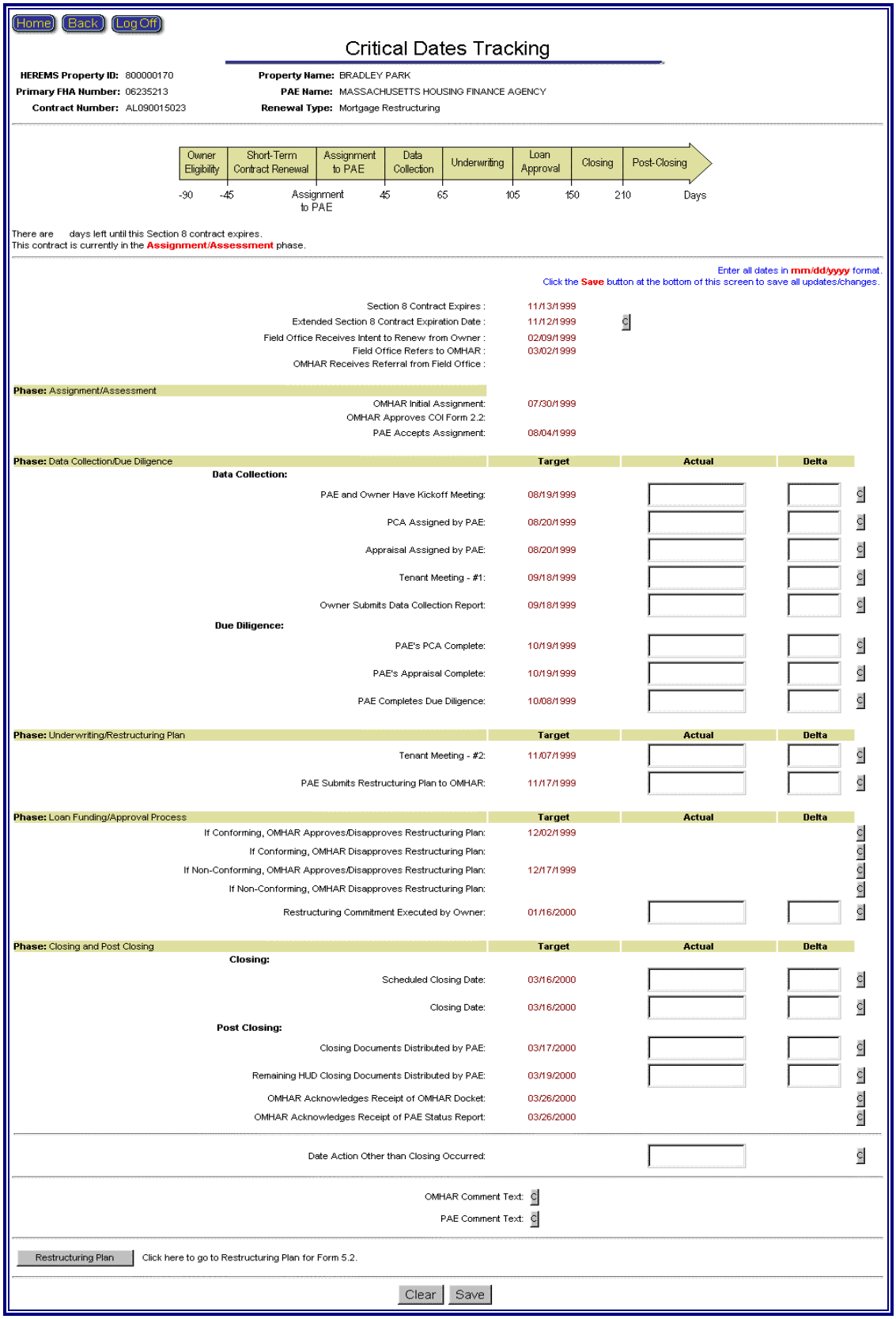


Figure 6-3, Mortgage Restructuring Critical Dates Screen

6.3.2 Target Dates

M2M generates "target dates" for dates in the Mortgage Restructuring renewal process only. Target dates are generated once the PAE Accepts Assignment field is populated and the dates follow M2M Program's predetermined timeline. Once generated, these dates cannot be revised. In addition, once an "actual" critical date is entered, M2M will display the delta between the Target Date and the Actual Date the M2M Program task was performed (as recorded by the PAE User). The target dates are based on the Operating Procedures Guide target dates for a seven month turnaround from acceptance of assignment to closing.

6.3.2 Critical Dates Data Entry

All Critical Dates data entry boxes applicable to the PAE or OMHAR User may only be entered or updated by the appropriate user type. For example, PAE Users have the ability to enter or update PAE-related date fields, such as PAE's Appraisal Complete. OMHAR Users only have the ability to read the data the PAE entered. The same holds true in reverse for the PAE User, i.e., PAEs may only read OMHAR fields, but not update or edit them.

The following Mortgage Restructuring critical date fields are system-generated and therefore cannot be edited by Users: Section 8 Contract Expires, Extended Section 8 Contract Expiration Date, Field Office Receives Intent to Renew from Owner, Field Office Refers to OMHAR, OMHAR Initial Assignment, PAE Accepts Assignment, If Conforming, OMHAR Approves Restructuring Plan (or If Conforming, OMHAR Disapproves Restructuring Plan), and If Non-Conforming, OMHAR Approves Restructuring Plan (or If Non-Conforming, OMHAR Disapproves Restructuring Plan).

The following eight Rent Reduction Only critical date fields are system-generated and cannot be edited: Section 8 Contract Expires, Extended Section 8 Contract Expiration Date, Field Office Receives Request for Rent Reduction from Owner, Field Office Refers to OMHAR, OMHAR Initial Assignment, PAE Submits Form 10.2 to OMHAR, OMHAR Approves PAEs Form 10.2 (or OMHAR Disapproves PAEs Form 10.2).

The following Comp Review critical dates fields are also system-generated and uneditable: Section 8 Contract Expires, Extended Section 8 Contract Expiration Date, Field Office Receives Intent to Renew from Owner, Field Office Refers to OMHAR, and OMHAR Initial Assignment.

Comments relative to tasks/dates may be recorded in the M2M system and are encouraged. Click on the "C" button next to a critical date to enter comments (in a pop-up box) related to a specific date or phase. Only the User allowed to enter that date field may update the associated comment boxes; however, comments

may be viewed by all. Figure 6-4, Comment Fields, is an excerpt of a Mortgage Restructuring Critical Dates Tracking screen with highlighted comment boxes.

Figure 6-4, Comment Fields

When the target date is not met for a critical date, it is expected that the PAE and/or OMHAR Users will provide an explanation in the comment box next to the missed target date.

On the Mortgage Restructuring Critical Dates Tracking screen (only) there is a yellow timeline that shows at a glance, the guidelines for completing phases and tasks (in accordance to the timeframes in the M2M Operating Procedures Guide).

All dates must be entered in the MM/DD/YYYY format. The Save button must be selected once the updates or changes are verified.

6.3.3 Critical Dates Reporting

Data entered in the Critical Dates Tracking module is used to generate certain M2M reports.

♪ **Note:** Careful attention to detail must be paid when entering dates on the Critical Dates Tracking screen. Updates are made to the system's database once the User saves the changes. It is **strongly suggested** you review the data for accuracy before **and** after selecting the Save button.

A message displayed confirming changes were saved if the data was entered in the correct format.

There are additional comment buttons at the bottom of the screen for use by the PAE and OMHAR Users, respectively.

If an action other than a closing occurred on a Mortgage Restructuring contract, there is a date and comment box available at the bottom of the screen

♪ **Note:** Remember to save any and all changes or updates before leaving this screen by selecting the Save button at the bottom of the screen.

7 RESTRUCTURING PLANS MODULE

The Restructuring Plans module is accessed by selecting the Restructuring Plans button from M2M's home screen. There are links at the bottom of the Mortgage Restructuring and Rent Reduction Only Critical Dates Tracking screens to the associated property's restructuring plan form.

Within this module are data entry screens on which, PAE Users may enter data to populate the restructuring plan forms that must be electronically submitted (via M2M) to OMHAR for review and approval. A hardcopy of the restructuring plan form must be retained (select the Printable Form button).

♪ **Note:** These restructuring plan forms are only one part of the Draft Restructuring Plans and Subsidy Recommendations that must be submitted to OMHAR for approval.

Each type of restructuring plan form (Form 5.2 and Form 10.2) has its own menu selections, specific to the data that must be collected to generate a form. Additional detail may be found in **Section 7.2 Mortgage Restructuring Plan Forms** and **Section 7.3 Rent Reduction Only Plan Forms,** respectively.

Figure 7-1, Restructuring Plans Search Criteria Screen, provides an example of a screen that will be retrieved when the Restructuring Plans module button is clicked. The button may be found on M2M's home page and on the menu bar within other modules.

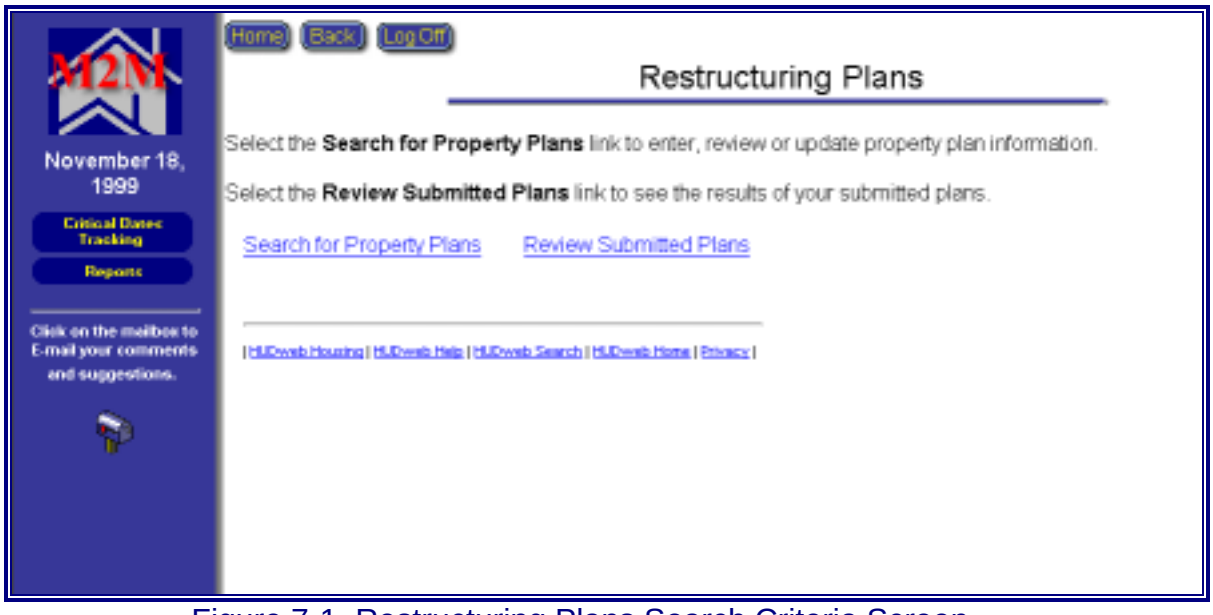


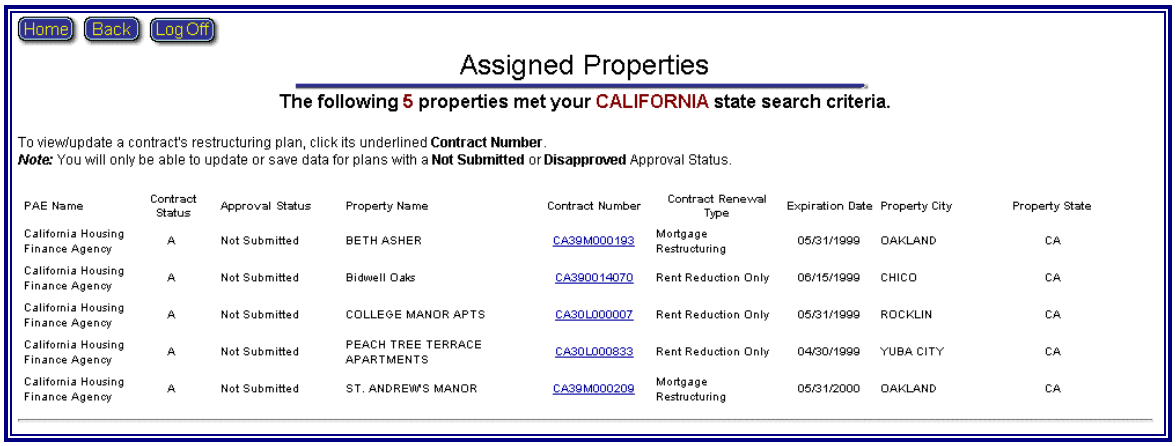
Figure 7-1, Restructuring Plans Search Criteria Screen

PAE Users may search for Restructuring Plan Forms by clicking the Search for Property Plans link and select a state from the drop-down list, enter a Property

ID, or selecting a link to retrieve all properties (based on the properties assigned to the PAE User).

7.1 Restructuring Plans General Information

Figure 7-2, Restructuring Plans Property Selection Screen, represents the results from the Restructuring Plans Search Criteria for a specific PAE (PAEs may not view plans assigned to other PAEs).



PAE Name	Contract Status	Approval Status	Property Name	Contract Number	Contract Renewal Type	Expiration Date	Property City	Property State
California Housing Finance Agency	A	Not Submitted	BETH ASHER	CA39M000193	Mortgage Restructuring	05/31/1999	OAKLAND	CA
California Housing Finance Agency	A	Not Submitted	Bidwell Oaks	CA390014070	Rent Reduction Only	06/15/1999	CHICO	CA
California Housing Finance Agency	A	Not Submitted	COLLEGE MANOR APTS	CA30L000007	Rent Reduction Only	05/31/1999	ROCKLIN	CA
California Housing Finance Agency	A	Not Submitted	PEACH TREE TERRACE APARTMENTS	CA30L000833	Rent Reduction Only	04/30/1999	YUBA CITY	CA
California Housing Finance Agency	A	Not Submitted	ST. ANDREW'S MANOR	CA39M000209	Mortgage Restructuring	05/31/2000	OAKLAND	CA

Figure 7-2, Restructuring Plans Property Selection Screen

♪ **Note:** Included in the search results page is an Approval Status column for each property. You will only be able to update and save data to restructuring plan forms that have a Pending, Not Submitted, or Disapproved approval status.

Click an underlined contract number link to access the Restructuring Plans section. If a property has completed the M2M process, it is "closed" (as indicated by a "C" in the Contract Status column) or if the restructuring plan form is Pending or has been Approved, the User will only be allowed to view or print the restructuring plan form.

7.1.1 Data Entry/PAE Corrections

PAE Users are encouraged to review the displayed property and loan data retrieved from REMS and to update any incorrect data or enter any omitted data in the Data Entry/PAE Corrections fields located next to the REMS read-only fields (as shown in Figure 7-3, Data Entry/ PAE Corrections Fields).

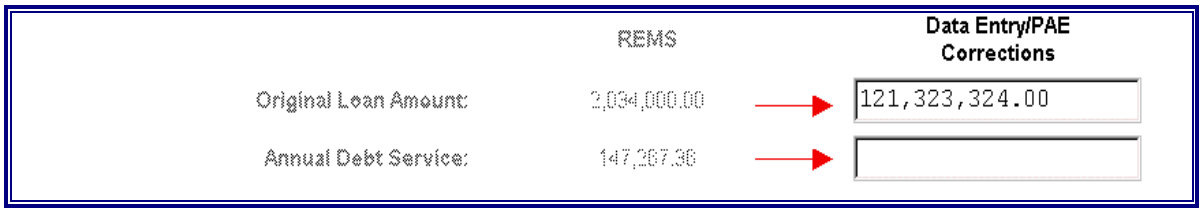


Figure 7-3, Data Entry/ PAE Corrections Fields

7.1.2 Negative Data Entry Fields

Within the Restructuring Plans module, there are fields that have red negative number indicators outside their data entry boxes (e.g., as represented below in the Residential Bad Debt and Residential Vacancy fields shown in Figure 7-4, Negative Field Indicators). The User is directed to enter positive numbers in these fields, as the system is programmed to subtract these values in calculations, where applicable.

Figure 7-4, Negative Field Indicators

7.1.3 Navigating the Restructuring Plans Sections

Users may quickly "jump" to another section within the Restructuring Plans module by clicking one of the buttons on the menu bar located on the left side of the screen. It is important to know that the PAE should save before jumping to a different page in order to retain the data entered. Clicking the Critical Dates Tracking button will take the User to the Critical Dates Tracking form for the current property. In addition, the User may print a hardcopy of the restructuring plan form, by clicking the Printable Form button at any time. Figure 7-5, Restructuring Plan Menu Bar, shows an example of the Restructuring Plans menu bar.

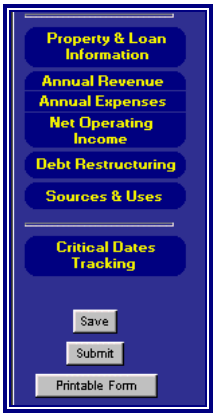


Figure 7-5, Restructuring Plan Menu Bar

7.2 Mortgage Restructuring Plan Forms

The following subsections provide additional information on the data that is required to populate and generate Form 5.2 Mortgage Restructuring Plan. Figure 7-6, Form 5.2 Mortgage Restructuring, provides an example of the main Mortgage Restructuring main screen.

It links to the following subsections:

- Property & Loan Information Term Sheet;
- Property Operating Statement;
- Debt Restructuring;
- Sources and Uses; and
- Submit Restructuring Plan to OMHAR.

The PAE is responsible for entering the data and selecting the "submit" button to lock the data and notify OMHAR of the submission. This process is covered in detail in Section 7-4, Submitting Restructuring Plan Forms for Review and Approval. Also, the PAE must mail in the full submission documentation. OMHAR is responsible for approving or disapproving (sending back for revision) the submitted documentation and via the M2M system.

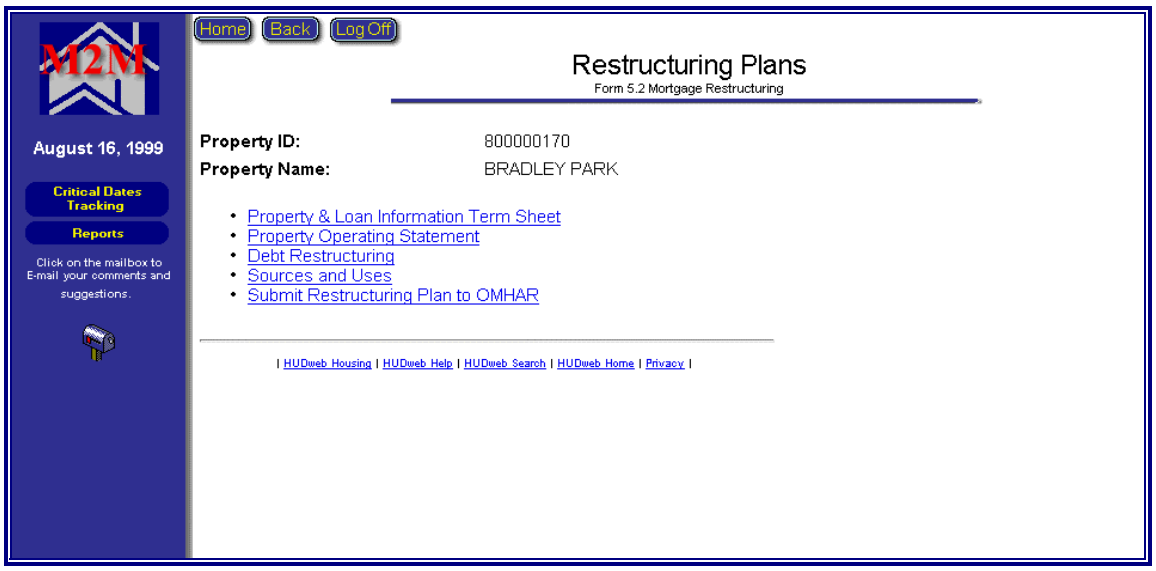


Figure 7-6, Form 5.2 Mortgage Restructuring

7.2.1 Property & Loan Information Term Sheet

The Property & Loan Information Term Sheet (an example of which is on the next page as Figure, 7-7, Property & Loan Information Term Sheet) contains general and detailed information about the property, e.g., physical location, number of units, current Unpaid Principal Balance (UPB), etc., and consists of the following subsections:

- General Information;
- Section 8 Information;
- Loan Information;
- Property Information; and
- Special Considerations.

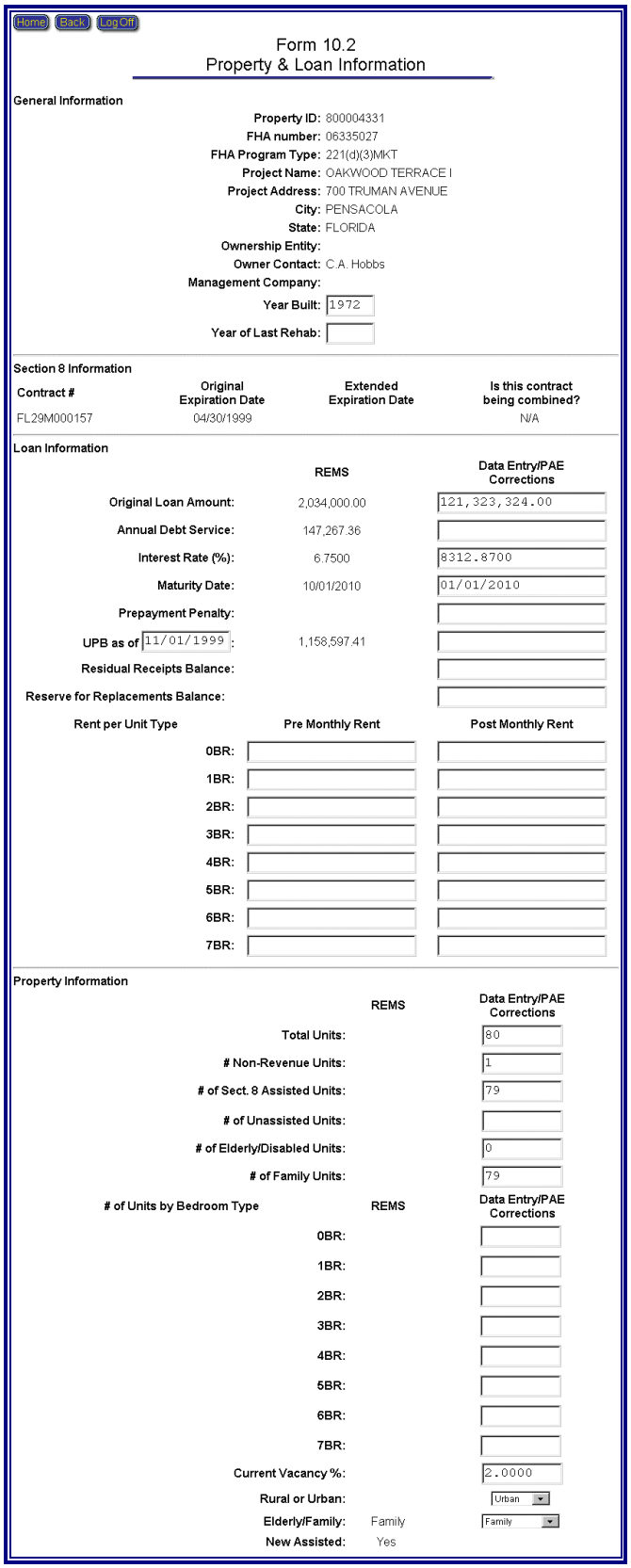


Figure 7-7, Property & Loan Information Term Sheet

7.2.2 Property Operating Statement

The Property Operating Statement contains pre- and post-restructuring revenue and expenses financial data (REMS read-only displays, PAE User entries, or system-calculated). The Property Operating Statement consists of the following subsections:

- Annual Revenue;
- Annual Expenses; and
- Net Operating Income (including Adjusted NOI and DSCR).

Figure 7-8, Property Operating Statement (on the next page), provides a representation of an operating statement data entry screen for a specific property.

7.2.3 Debt Restructuring

The Debt Restructuring screen consists of the pre- and post-restructuring financial data and terms for the restructured mortgage(s), e.g., originator, original loan amount, interest rate, etc. The following is an excerpt of the Debt Restructuring screen for the First Mortgage (Figure 7-9, Debt Restructuring).

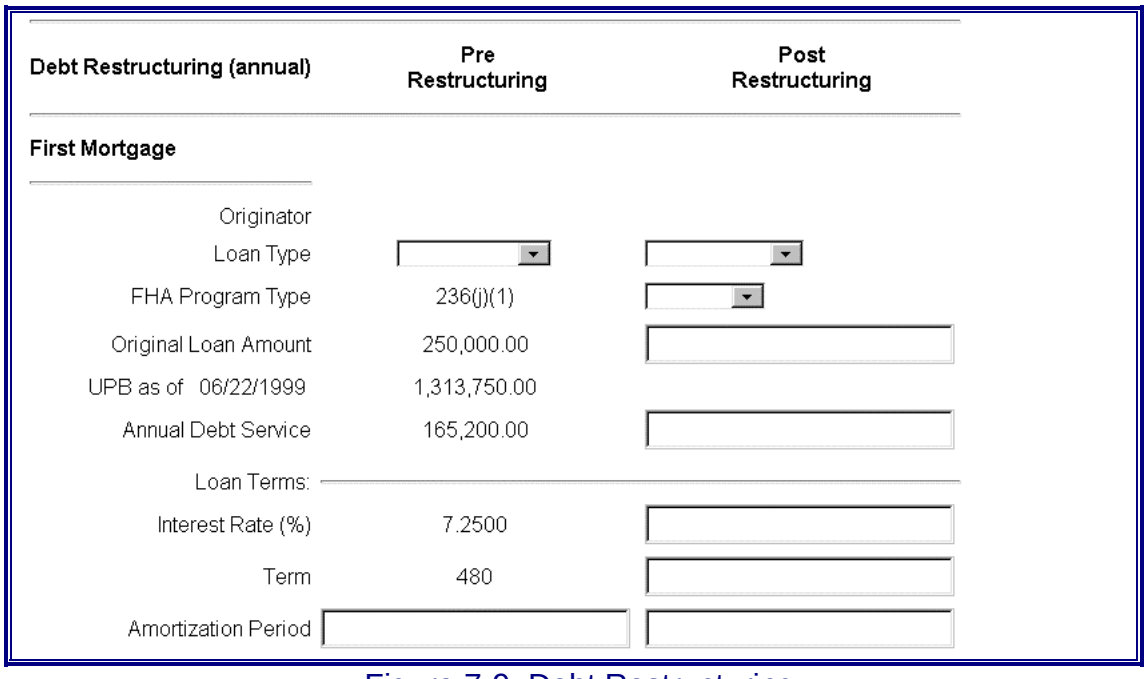
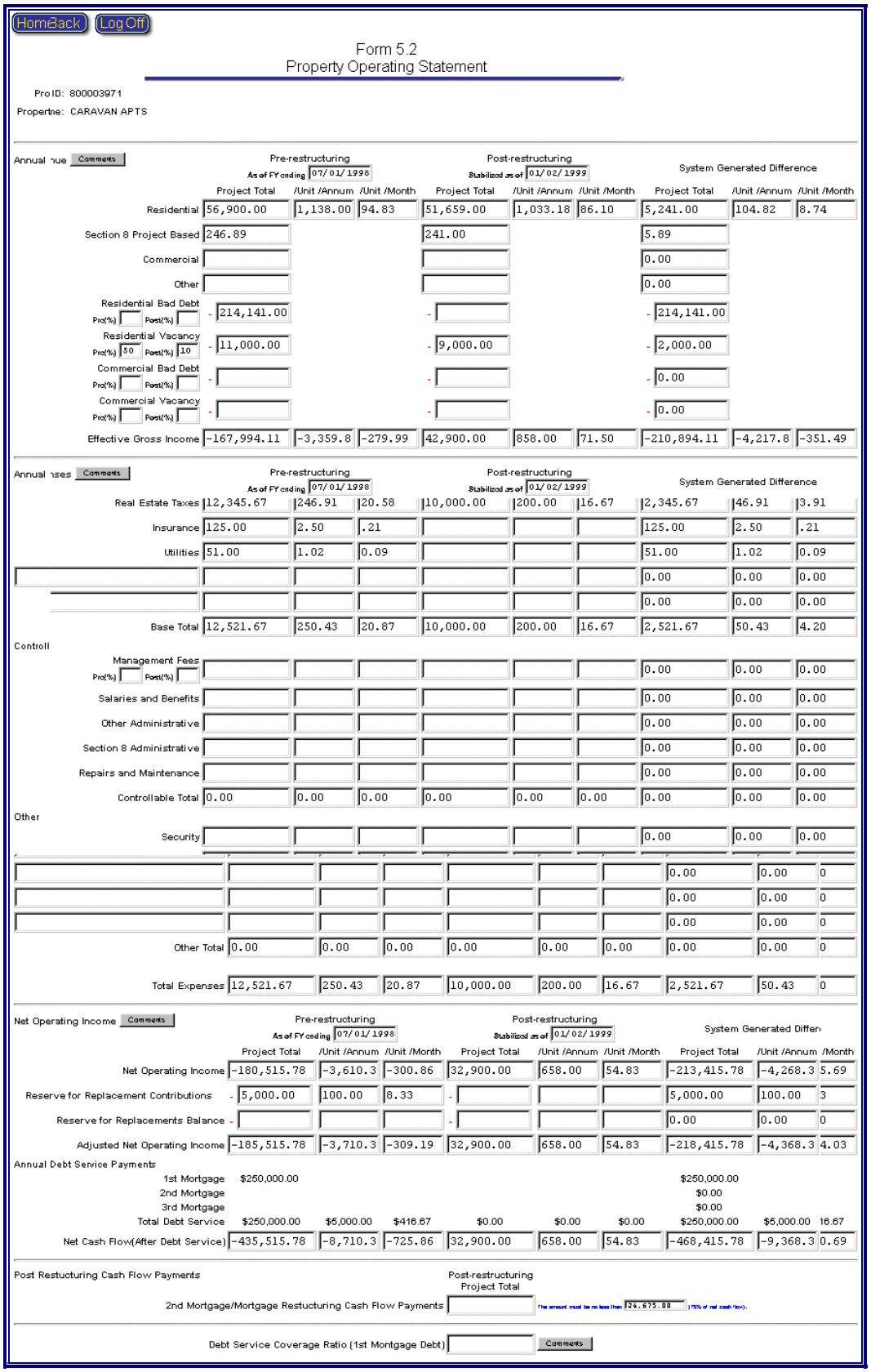


Figure 7-9, Debt Restructuring



Home Back Log Off

Form 5.2
Property Operating Statement

Pro ID: 800003971
Propertne: CARAVAN APTS

Annual ...nue Comments

	Pre-restructuring As of FY ending 07/01/1998			Post-restructuring Stabilized as of 01/02/1999			System Generated Difference		
	Project Total	/Unit /Annum	/Unit /Month	Project Total	/Unit /Annum	/Unit /Month	Project Total	/Unit /Annum	/Unit /Month
Residential	56,900.00	1,138.00	94.83	51,659.00	1,033.18	86.10	5,241.00	104.82	8.74
Section 8 Project Based	246.89			241.00			5.89		
Commercial							0.00		
Other							0.00		
Residential Bad Debt Pre(%) Post(%)	- 214,141.00			-			- 214,141.00		
Residential Vacancy Pre(%) 50 Post(%) 10	- 11,000.00			- 9,000.00			- 2,000.00		
Commercial Bad Debt Pre(%) Post(%)	-			-			- 0.00		
Commercial Vacancy Pre(%) Post(%)	-			-			- 0.00		
Effective Gross Income	-167,994.11	-3,359.8	-279.99	42,900.00	858.00	71.50	-210,894.11	-4,217.8	-351.49

Annual ...ses Comments

	Pre-restructuring As of FY ending 07/01/1998			Post-restructuring Stabilized as of 01/02/1999			System Generated Difference		
Real Estate Taxes	12,345.67	246.91	20.58	10,000.00	200.00	16.67	2,345.67	46.91	3.91
Insurance	125.00	2.50	.21				125.00	2.50	.21
Utilities	51.00	1.02	0.09				51.00	1.02	0.09
							0.00	0.00	0.00
							0.00	0.00	0.00
Base Total	12,521.67	250.43	20.87	10,000.00	200.00	16.67	2,521.67	50.43	4.20
Controll									
Management Fees Pre(%) Post(%)							0.00	0.00	0.00
Salaries and Benefits							0.00	0.00	0.00
Other Administrative							0.00	0.00	0.00
Section 8 Administrative							0.00	0.00	0.00
Repairs and Maintenance							0.00	0.00	0.00
Controllable Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other									
Security							0.00	0.00	0.00
							0.00	0.00	0
							0.00	0.00	0
							0.00	0.00	0
Other Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0
Total Expenses	12,521.67	250.43	20.87	10,000.00	200.00	16.67	2,521.67	50.43	0

Net Operating Income Comments

	Pre-restructuring As of FY ending 07/01/1998			Post-restructuring Stabilized as of 01/02/1999			System Generated Differ...		
	Project Total	/Unit /Annum	/Unit /Month	Project Total	/Unit /Annum	/Unit /Month	Project Total	/Unit /Annum	/Month
Net Operating Income	-180,515.78	-3,610.3	-300.86	32,900.00	658.00	54.83	-213,415.78	-4,268.3	5.69
Reserve for Replacement Contributions	- 5,000.00	100.00	8.33	-			5,000.00	100.00	3
Reserve for Replacements Balance	-			-			0.00	0.00	0
Adjusted Net Operating Income	-185,515.78	-3,710.3	-309.19	32,900.00	658.00	54.83	-218,415.78	-4,368.3	4.03
Annual Debt Service Payments									
1st Mortgage	$250,000.00						$250,000.00		
2nd Mortgage							$0.00		
3rd Mortgage							$0.00		
Total Debt Service	$250,000.00	$5,000.00	$416.67	$0.00	$0.00	$0.00	$250,000.00	$5,000.00	16.67
Net Cash Flow(After Debt Service)	-435,515.78	-8,710.3	-725.86	32,900.00	658.00	54.83	-468,415.78	-9,368.3	0.69

Post Restucturing Cash Flow Payments

	Post-restructuring Project Total
2nd Mortgage/Mortgage Restucturing Cash Flow Payments	*The amount must be no less than 24,875.00 (75% of net cash flow).

Debt Service Coverage Ratio (1st Mortgage Debt) Comments

Figure 7-8, Property Operating Statement

7.2.4 Sources and Uses

The Sources and Uses section is a data entry screen for PAE Users to record a summation of the property funding and the anticipated distribution of those funds. Figure 7-10, Sources and Uses, is an example of a Sources and Uses screen.

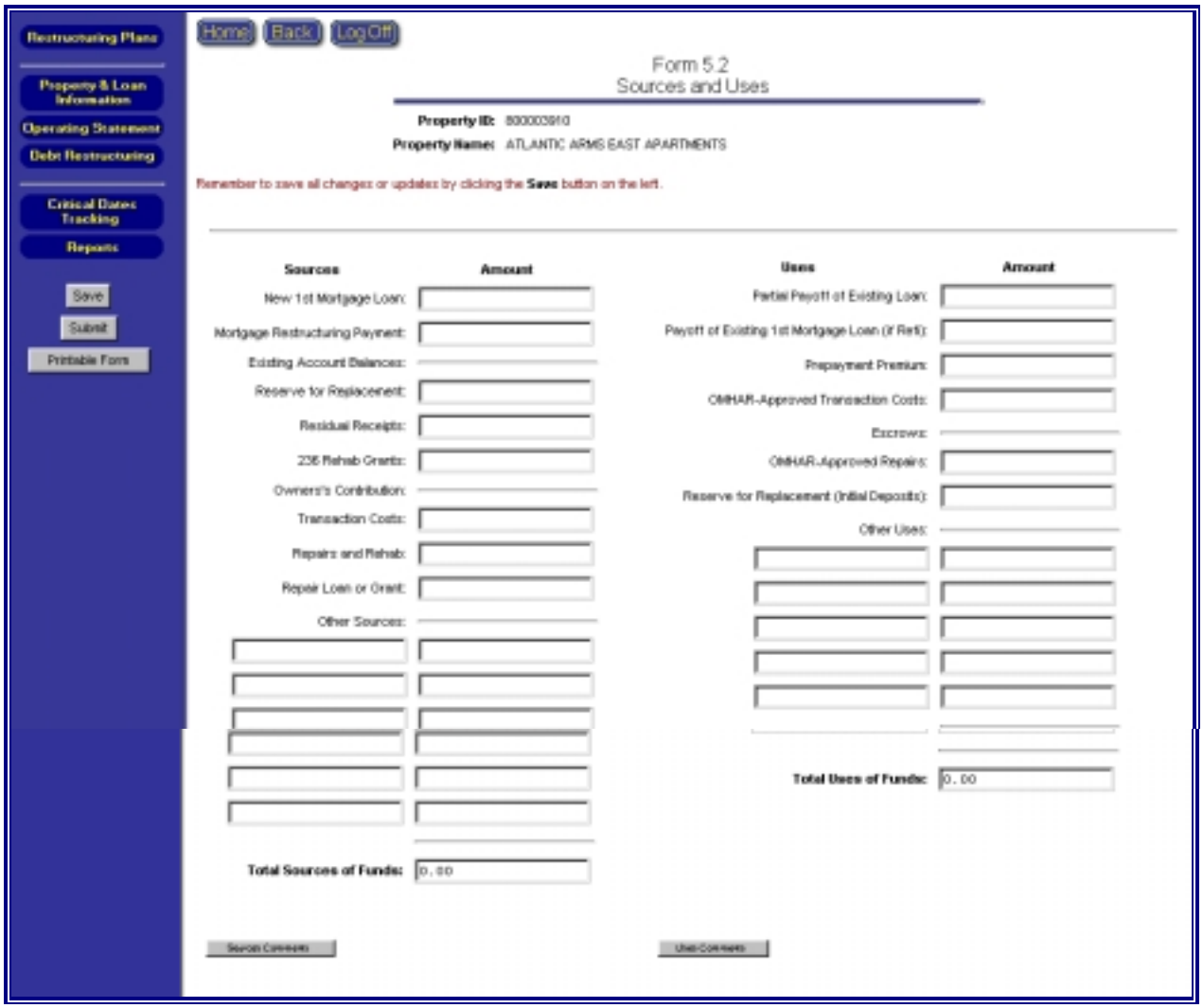


Figure 7-10, Sources and Uses

♪ **Note:** Restructuring Plan Forms data may be entered and edited as often as necessary up until the plan is submitted for review and approval. PAE Users may view, but not update plan data after it has been submitted to OMHAR. Disapproved restructuring plan forms will be "unlocked" and available for updating by PAE Users. Once a plan form has been approved by OMHAR, it is considered to be part of the Final Restructuring Plan and no data may be changed by PAE Users. An e-mail will be sent to the PAE by OMHAR HQ informing them of its decision on the submitted restructuring plan form.

7.3 Rent Reduction Only Plan Forms

The following subsections provide additional information on the data that is required to populate and generate 10.2 Rent Reduction Only Restructuring Plan Forms. Figure 7-11, Rent Reduction Only, provides an example of the main Rent Reduction Only Restructuring Plans main screen. It contains links to the following subsections:

- Property & Loan Information Term Sheet;
- Property Operating Statement;
- Refinancing Sheet; and
- Submit Restructuring Plan to OMHAR.

Figure 7-11, Form 10.2 Rent Reduction Only

There are two major categories of data entry that will be used to populate a property's Rent Reduction Only Restructuring Plan Form 10.2:

- Property & Loan Information Term Sheet; and
- Property Operating Statement.

7.3.2 Property & Loan Information Term Sheet

The Property & Loan Information Term Sheet's contents were covered in Section 7.2.1, Property & Loan Information Term Sheet; however, it is important to note that there are some fields that are different on Form 5.2, Mortgage Restructuring.

7.3.2 Property Operating Statement

Refer to Section 7.2.3, Property Operating Statement to note the content of this screen. Again, there are some fields in Form 5.2, that are not in the Rent Reduction Only form.

7.3.3 Refinancing

If refinancing the existing mortgage is involved for the property, click the Refinancing Sheet button to go to the refinancing section, as represented in Figure 7-12, Refinancing Sheet.

♪ **Note:** A property undergoing a debt restructuring is designated as a Mortgage Restructuring and is covered in Section, 7.2, Mortgage Restructuring Forms.

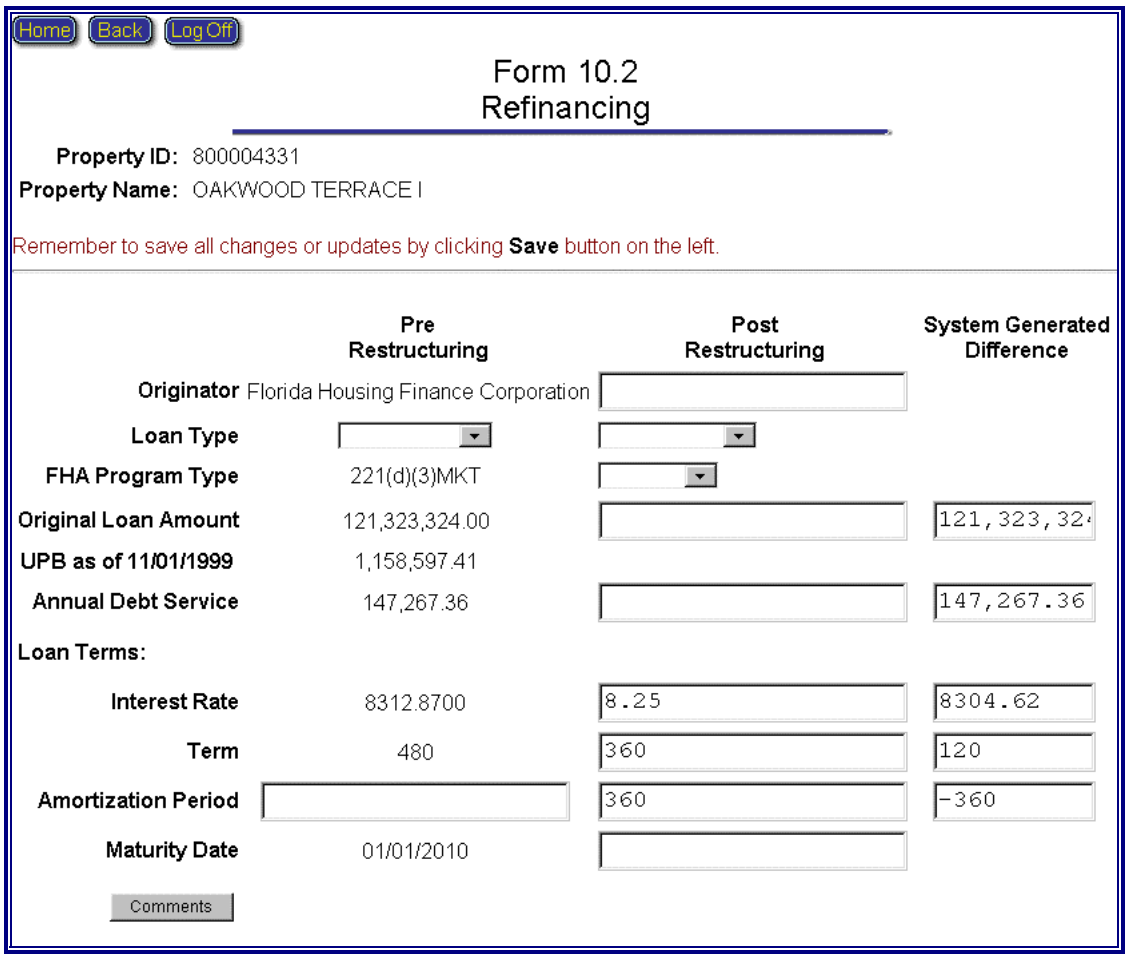


Figure 7-12, Refinancing Sheet

7.4 Submitting Restructuring Plan Forms for Review and Approval

PAE Users must submit their restructuring plan forms to OMHAR HQ for review and approval. Click the Submit Restructuring Plan to OMHAR link Submit Restructuring Plan to OMHAR on the Restructuring Plans menu to submit a Restructuring Plan Form for one of its assigned properties (as illustrated in Figure 7-13, Restructuring Plan Form Submissions on the next page).

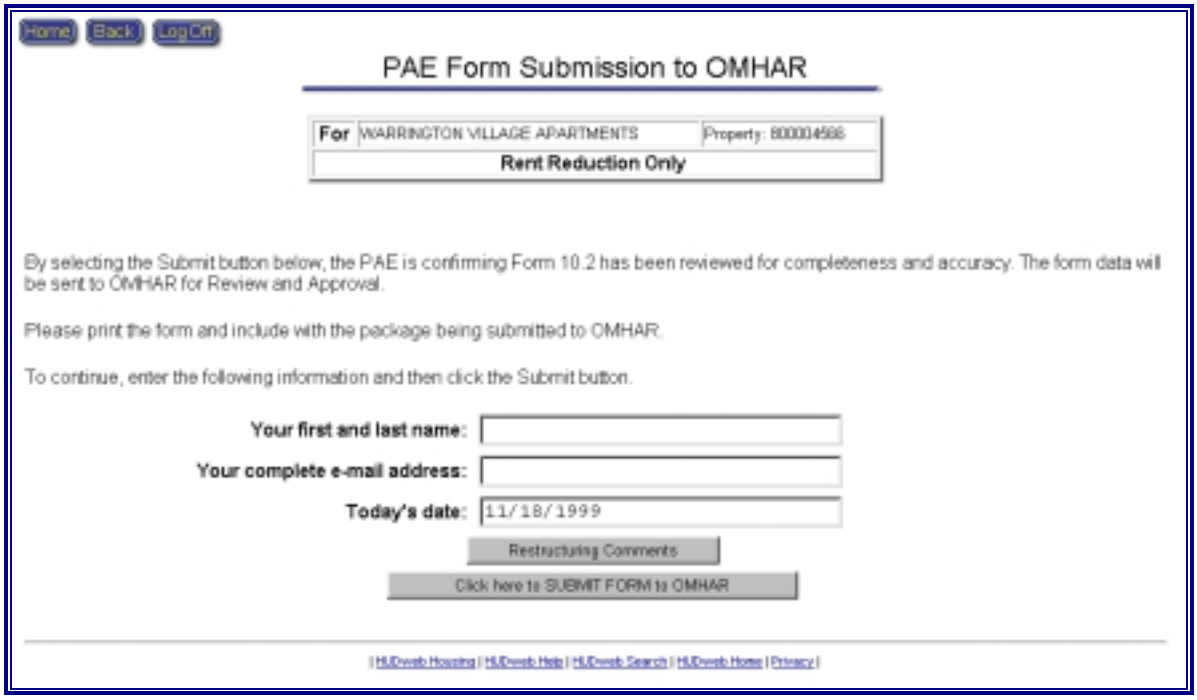


Figure 7-13, Restructuring Plan Form Submissions

The following steps direct PAE Users in submitting a Final Restructuring Plan Form to OMHAR HQ for approval:

1. The PAE User **must** print and retain a hardcopy of the entire 5.2 or 10.2 form, by clicking the appropriate print form button, e.g., Print the Entire Form 10.2 Print the Entire Form 10.2;

2. Enter your first name and last name in the To Continue, Enter Your First and Last Name field

   To continue, enter your first and last name: ;

3. Enter your e-mail address in the Enter your complete e-mail address field Enter your complete e-mail address: ;

4. The system date populates the Enter Today's Date field. If necessary, it may be overwritten by the end-user Enter Today's Date: 07/11/1999 ;

5. Enter any comments about the Restructuring Plan Form in the Restructuring Comments field Restructuring Comments; and

6. Press the Click here to Submit Form to OMHAR button Click here to SUBMIT FORM to OMHAR to submit and save the final plan form in the system. A confirmation message window (as shown as Figure 7-14, Confirmation Message Window below), provides the User with additional detail information:

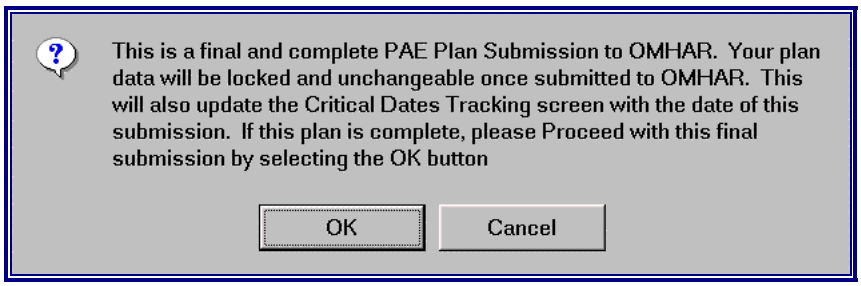


Figure 7-14, Confirmation Message Window

After the Restructuring Plan Form has been successfully saved in the system, an confirmation screen is displayed as shown below (Figure 7-15, Successful Restructuring Plan Form Submission).

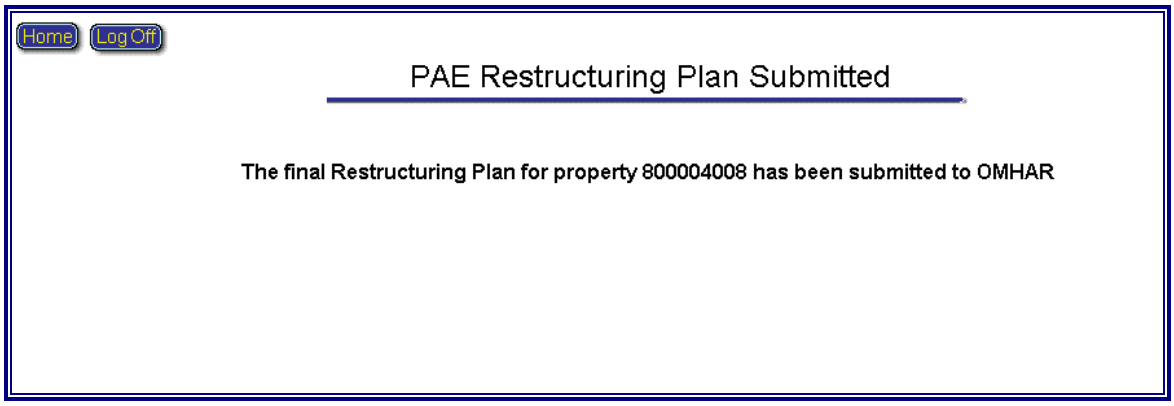


Figure 7-15, Successful Restructuring Plan Form Submission

If a User attempts to resubmit a Restructuring Plan Form that has already been submitted for the property (not including Disapproved decisions), a message

similar to the one illustrated in Figure 7-16, Plan Already Submitted, will be returned.

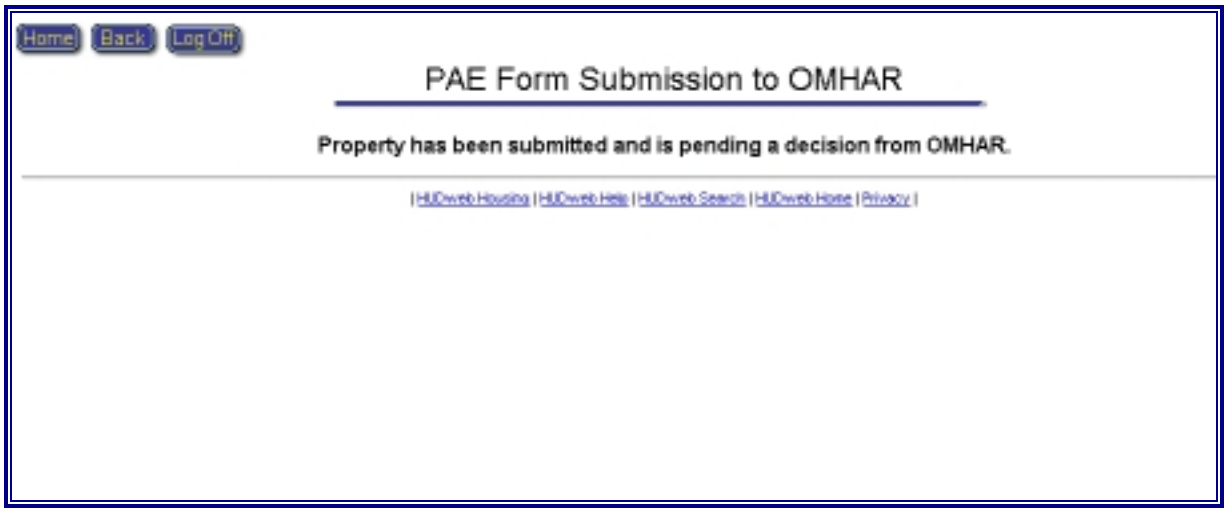


Figure 7-16, Plan Already Submitted

A successful submission of the restructuring plan form to OMHAR HQ will automatically populate the Critical Dates Tracking date field: "PAE Submits Form XX.X to OMHAR" for that respective property (depending upon the renewal option.

7.5 Reviewing Submitted Restructuring Plans and Decisions

Restructuring Plans that have been submitted may be reviewed by PAE Users by clicking the Review Submitted Plans link Review Submitted Plans. A list of all of its submitted Restructuring Plans will be displayed, as illustrated in Figure 7-17, Review of PAE Submissions. Included on this screen are the submission dates and OMHAR HQ's decisions. Any comments provided by OMHAR and PAE Users are also available for review and updates.

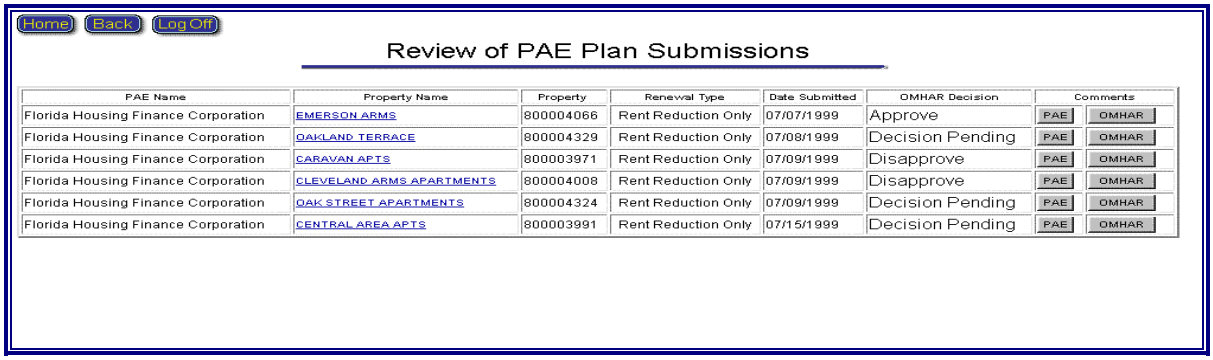


Figure 7-17, Review of PAE Submissions

Clicking an underlined Property Name link, will take the User to Restructuring Plan Form for that property. No edits to the plan can be saved unless the plan was Disapproved.

8 REPORTS MODULE

The Reports module is accessed by selecting the Reports button from M2M's home screen. It is a summarization of the data entered in the Critical Dates Tracking screens and are management tracking tools to view the overall status of where the assigned properties are in the restructuring process.

Figure 8-1, Property and Report Selection Screen

Only active properties in the M2M Program that are assigned to, and accepted by, a PAE appear in M2M's Reports. In addition, there is specific criteria for each report, e.g., for the Property Status Report, only properties that have at least one critical date entered into the system are included on the report. The Property and Report Selection page is shown as Figure 8-1, Property and Report Selection Screen:

♪ **Note:** Reports with an asterisk (*) must be printed in landscape mode on legal-sized paper.

8.1 Property and Report Selection

The Reports module allows users to generate the following six reports:

- Assigned Active Properties Report;
- Submitted Plans Awaiting Decision Report;
- Property Status Report;
- Rent Comparability Review Progress Report;
- Rent Reduction Only Progress Report; and
- Mortgage Restructuring Progress Report.

To view a report, click the associated underlined link (or scroll down to the report selection box). Reports may be viewed on-screen, printed, or downloaded and saved in an electronic format.

To save a downloadable version of a report:

1. Click the Downloadable link for the respective report.

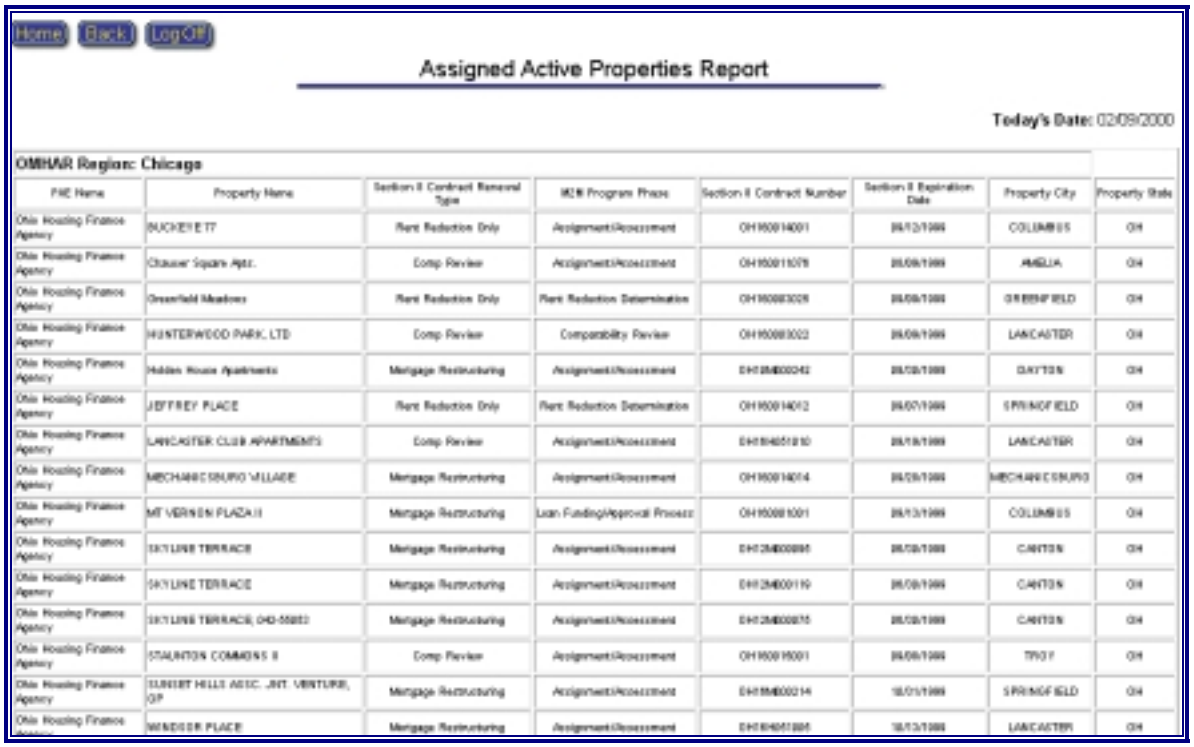
2. Click the "Save File..." button and name the file a name with a ".csv" extension (e.g., "testrept.csv").

3. Open application of choice (e.g., Microsoft Excel) and the saved file.

4. The file may be resaved in the format of the application.

8.2 Assigned Active Properties Report

The Assigned Active Properties Report (Figure 8-2, Assigned Active Properties Report on the next page) contains a listing of all of the current M2M Program properties, the PAE to which each property is assigned, and the M2M Program phase in which each property resides.


Home Back LogOff

Assigned Active Properties Report

Today's Date: 02/09/2000

OMHAR Region: Chicago

PAE Name	Property Name	Section 8 Contract Renewal Type	M2M Program Phase	Section 8 Contract Number	Section 8 Expiration Date	Property City	Property State
Ohio Housing Finance Agency	BUCKEYE 77	Rent Reduction Only	Assignment/Acceptance	OH160014001	06/12/1999	COLUMBUS	OH
Ohio Housing Finance Agency	Chaucer Square Apts.	Comp Review	Assignment/Acceptance	OH160011078	06/09/1999	AMELIA	OH
Ohio Housing Finance Agency	Greenfield Meadows	Rent Reduction Only	Rent Reduction Determination	OH160003025	06/09/1999	GREENFIELD	OH
Ohio Housing Finance Agency	HUNTERWOOD PARK, LTD	Comp Review	Comparability Review	OH160003022	06/09/1999	LANCASTER	OH
Ohio Housing Finance Agency	Hidden House Apartments	Mortgage Restructuring	Assignment/Acceptance	OH16M000242	06/30/1999	DAYTON	OH
Ohio Housing Finance Agency	JEFFREY PLACE	Rent Reduction Only	Rent Reduction Determination	OH160014012	06/07/1999	SPRINGFIELD	OH
Ohio Housing Finance Agency	LANCASTER CLUB APARTMENTS	Comp Review	Assignment/Acceptance	OH16M001810	06/19/1999	LANCASTER	OH
Ohio Housing Finance Agency	MECHANICSBURG VILLAGE	Mortgage Restructuring	Assignment/Acceptance	OH160014014	06/29/1999	MECHANICSBURG	OH
Ohio Housing Finance Agency	MT VERNON PLAZA II	Mortgage Restructuring	Loan Funding/Approval Process	OH160001001	06/13/1999	COLUMBUS	OH
Ohio Housing Finance Agency	SKYLINE TERRACE	Mortgage Restructuring	Assignment/Acceptance	OH12M000095	06/30/1999	CANTON	OH
Ohio Housing Finance Agency	SKYLINE TERRACE	Mortgage Restructuring	Assignment/Acceptance	OH12M000119	06/30/1999	CANTON	OH
Ohio Housing Finance Agency	SKYLINE TERRACE, OHD-55003	Mortgage Restructuring	Assignment/Acceptance	OH12M000075	06/30/1999	CANTON	OH
Ohio Housing Finance Agency	STAUNTON COMMONS II	Comp Review	Assignment/Acceptance	OH160015001	06/09/1999	TROY	OH
Ohio Housing Finance Agency	SUNSET HILLS ASSC. JNT. VENTURE, GP	Mortgage Restructuring	Assignment/Acceptance	OH16M000214	10/01/1999	SPRINGFIELD	OH
Ohio Housing Finance Agency	WINDSOR PLACE	Mortgage Restructuring	Assignment/Acceptance	OH16M001005	10/13/1999	LANCASTER	OH

Figure 8-2, Assigned Active Properties Report

8.3 Submitted Plans Awaiting Decision Report

The Submitted Plans Awaiting Decision Report contains a listing of all of the current restructuring plans submitted by PAEs that do not have an "Approved" status and are awaiting an approval decision from OMHAR.

Home Back LogOff

Submitted Plans Awaiting Decision Report

Today's Date: 02/09/2000

OMHAR Region: Chicago

PAE Name	Property Name	Property State	Section 8 Contract Renewal Type	Section 8 Contract Number	Date Submitted	OMHAR Decision
Ohio Housing Finance Agency	BUCKEYE 77	OH	Rent Reduction Only	OH160014001	07/14/1999	Disapproved
Ohio Housing Finance Agency	Greenfield Meadows	OH	Rent Reduction Only	OH160003025	07/30/1999	Pending
Ohio Housing Finance Agency	JEFFREY PLACE	OH	Rent Reduction Only	OH160014012	07/08/1999	Pending
Ohio Housing Finance Agency	MT VERNON PLAZA II	OH	Mortgage Restructuring	OH160001001	08/25/1999	Disapproved

| HUDweb Housing | HUDweb Help | HUDweb Search | HUDweb Home | Privacy |

Figure 8-3, Submitted Plans Awaiting Decision Report

The above Figure 8-3, Submitted Plans Awaiting Decision Report, is an example of a Submitted Plans Awaiting Decision Report.

8.4 Property Status Report

The Property Status Report represented in Figure 8-4, Property Status Report (on the next page) is a summarization of the Critical Dates entered for each M2M property. This report displays the PAE User's entire list of active, assigned M2M properties and the associated critical dates details, the specific property requested from the previous Property and Report Selection screen, or just a list for one state's properties (if assigned properties in that state) from the Property and Report Selection.

Reported as of: 07/11/1999, 23:03:41 **HUD Mark-To-Market**

Property Status Report

Herems Property ID: 800004329
Property Name: OAKLAND TERRACE
Primary FHA Number: 06335054
PAE Name: Florida Housing Finance Corporation
Contract Number: FL29M000100
Review Type: Rent Reduction Only

Phase:	Date Type:	Date:
Task	Section 8 Contract Expires	06/30/1999
	Field Office Receives Intent to Renew from Owner	
	OMHAR Receives Referral from Field Office	
Assignment/Assessment	OMHAR Assigns Property to PAE	07/06/1999
	PAE Accepts Assignment	07/10/1999
Rent Reduction Determination	Tenant Notice Sent	
	PCA Assigned by PAE	
	PAE Review Complete	
	PAE Submits Review Results to OMHAR	07/08/1999
	OMHAR Notifies HUD Field Office	
	Section 8 Contract Rents Reduced	
	OMHAR Approves PAEs Form 10.2	
	OMHAR Disapproves PAEs Form 10.2	
	3rd Party Market Survey Assigned by PAE	

Home Back

Figure 8-4, Property Status Report

8.5 Rent Comparability Review Progress Report

The Rent Comparability Review Progress Report (illustrated as Figure 8-5 on the next page) represents the progress and status of the active Rent Comparability Review properties currently assigned to PAEs. It details the referral and acceptance dates, the dates review results were submitted to OMHAR and the date OMHAR approves the results.

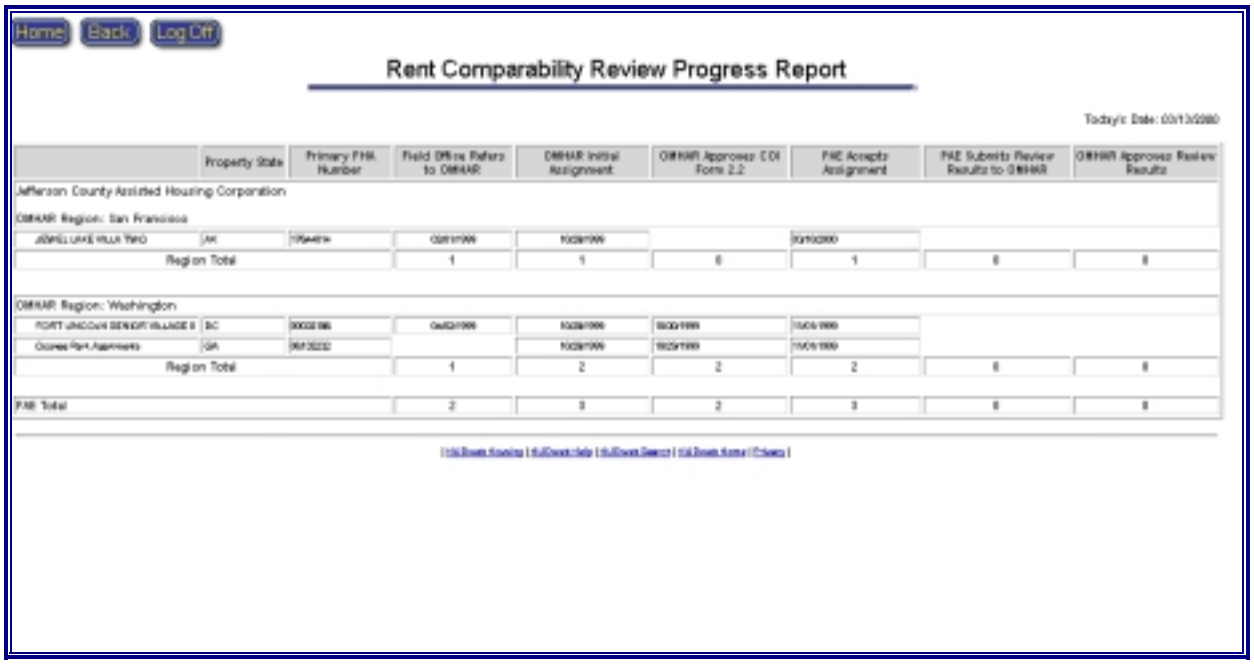


Figure 8-5, Rent Comparability Review Progress Report

8.6 Rent Reduction Only Progress Report

The Rent Reduction Only Progress Report represents the progress and status of the active M2M Program Rent Reduction Only properties currently assigned to PAEs. It details the referral and acceptance dates, the dates the PAE executes M2M Program tasks, and the dates the Rent Reduction Only Restructuring Plan form was submitted to OMHAR and the date OMHAR issues a decision on submitted plans.

Figure 8-6, Rent Reduction Only Progress Report, shown on the next page, is an example of the Rent Reduction Only Progress Report.

♪ **Note:** It is necessary to load legal-sized paper and set your printer to print in landscape mode for this progress report.

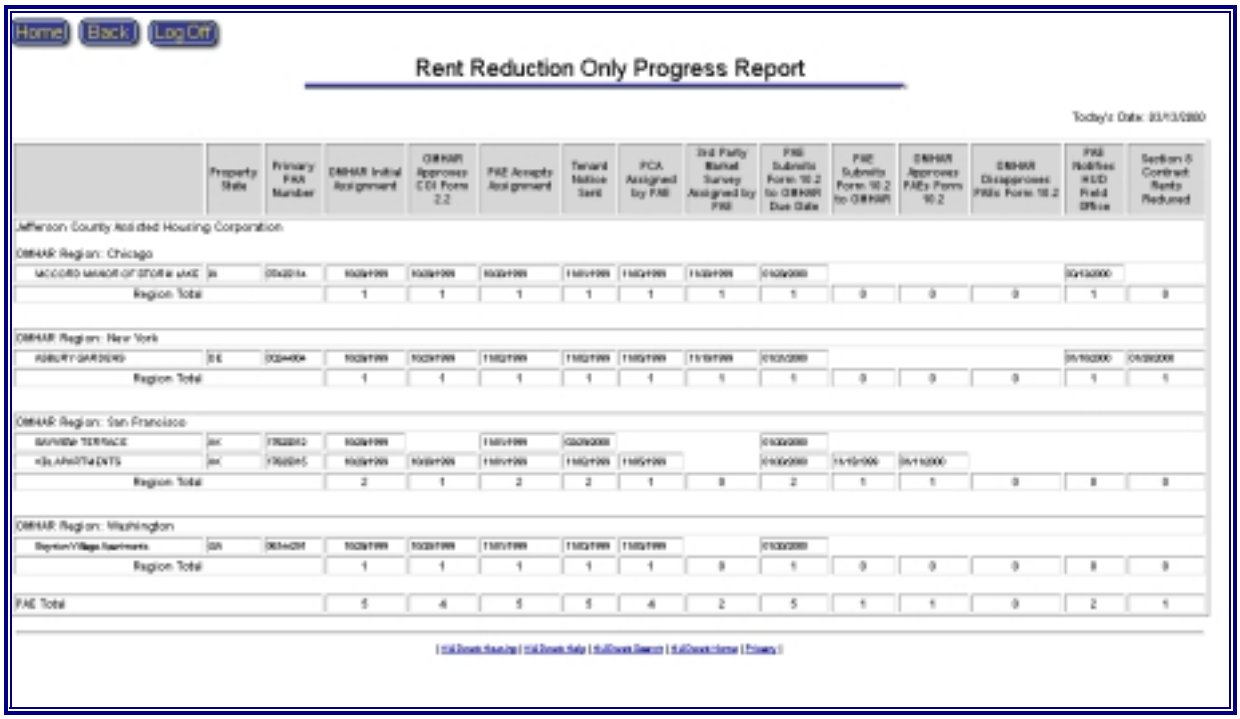
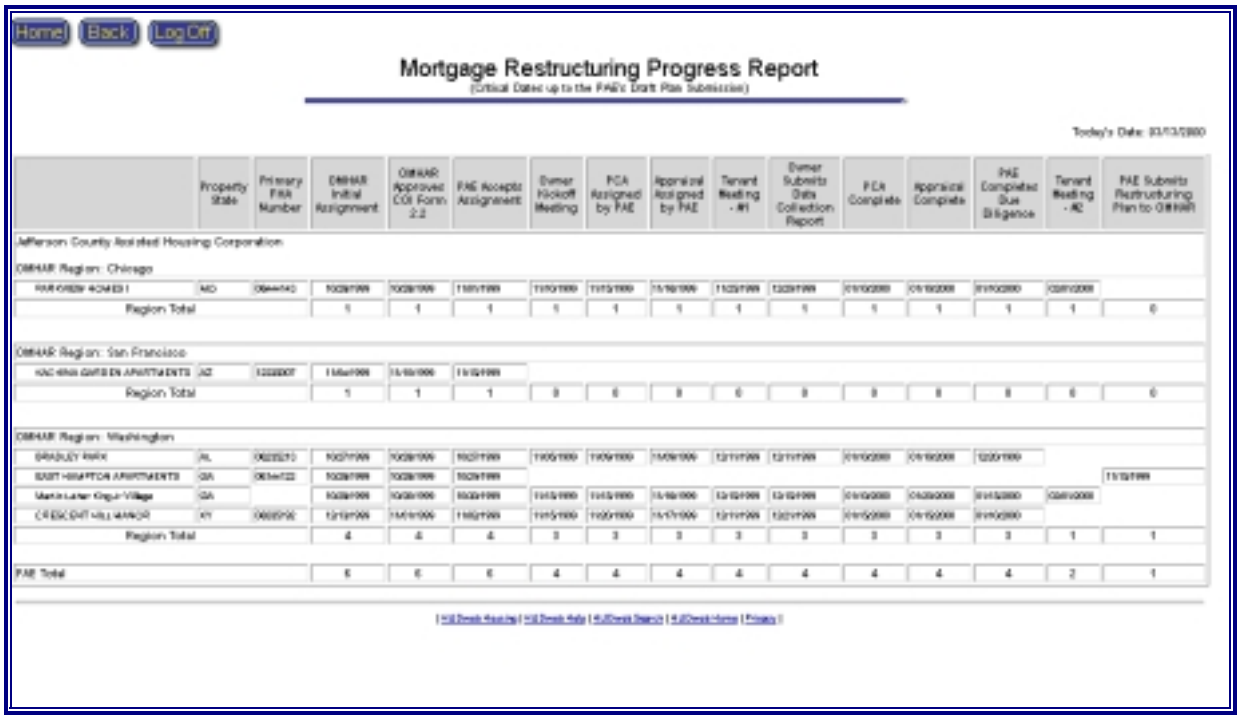


Figure 8-6, Rent Reduction Only Progress Report

8.7 Mortgage Restructuring Progress Report

The Mortgage Restructuring Progress Report details the progress and status of the active Mortgage Restructuring properties currently assigned to PAEs. It details the referral and acceptance dates, the dates the PAE executes M2M Program tasks, and the dates the Rent Reduction Only Restructuring Plan form was submitted to OMHAR and the date OMHAR issues a decision on submitted plans. The Mortgage Restructuring Progress Report is actually comprised of two parts: Mortgage Restructuring Progress Report (Critical Dates up to the PAE's Draft Plan Submission) and Mortgage Restructuring Progress Report (Critical Dates from PAE's Draft Plan Submission). An example of this report is presented on the next page as Figure 8-7, Mortgage Restructuring Progress Report (Critical Dates up to the PAE's Draft Plan Submission).

♪ **Note:** It is necessary to load legal-sized paper and set your printer to print in landscape mode for this progress report.


Home Back Log Off

Mortgage Restructuring Progress Report

(Critical Dates up to the PAE's Draft Plan Submission)

Today's Date: 03/13/2000

	Property State	Primary FHA Number	OMHAR Initial Assignment	OMHAR Approves COI Form 2.2	PAE Accepts Assignment	Owner Kickoff Meeting	PCA Assigned by PAE	Appraisal Assigned by PAE	Tenant Meeting - #1	Owner Submits Data Collection Report	PCA Complete	Appraisal Complete	PAE Completes Due Diligence	Tenant Meeting - #2	PAE Submits Restructuring Plan to OMHAR
Jefferson County Assisted Housing Corporation															
OMHAR Region: Chicago															
[redacted]	MO	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	
Region Total			1	1	1	1	1	1	1	1	1	1	1	1	0
OMHAR Region: San Francisco															
[redacted]	AZ	[redacted]	[redacted]	[redacted]	[redacted]										
Region Total			1	1	1	0	0	0	0	0	0	0	0	0	0
OMHAR Region: Washington															
[redacted]	AL	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]		
[redacted]	GA	[redacted]	[redacted]	[redacted]	[redacted]										[redacted]
[redacted]	GA		[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	
[redacted]	KY	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]		
Region Total			4	4	4	3	3	3	3	3	3	3	3	1	1
PAE Total			6	6	6	4	4	4	4	4	4	4	4	2	1

[redacted]

Figure 8-7, Mortgage Restructuring Progress Report (Critical Dates up to the PAE's Draft Plan Submission)